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**AGENCY OVERVIEW****406 Department of Labor and Human Rights**

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**Date:** 12/23/2014**Time:** 12:50:37**Statutory Authority**

North Dakota Century Code Chapters 14-02.4, 14-02.5, 34-05, 34-06, 34-06.1, 34-07, 34-12, 34-13, 34-14, and Sections 34-01-20 and 34-08-14.

**Agency Description**

The Department of Labor and Human Rights is responsible for administering statutory provisions relating to labor standards, including wage and hour issues, child labor, and labor-management relations. The Department is also responsible for improving working and living conditions of employees and advancing their opportunities for employment; fostering, promoting, and developing the welfare of wage earners and industries in the state; promoting cooperative relations between employers and employees; cooperating with other governmental agencies to encourage the development of new and existing industries; representing the state in dealings with the U.S. Department of Labor, with the federal mediation and conciliation service, and the U.S. veteran's administration with regard to job training programs; acquiring and providing information on subjects connected with labor, relations between employers and employees, hours of labor, and working conditions; and encourage and assist in the adoption of practical methods of vocational training, retraining, and vocational guidance.

The Department of Labor and Human Rights also has statutory regulatory responsibilities with respect to human rights. This includes receiving and investigating complaints of discrimination in employment and housing; adopting rules necessary to implement the law; fostering prevention of discrimination through education; emphasizing conciliation to resolve complaints; publishing, in even-numbered years, a written report recommending legislative or other action to carry out the purposes of the chapters; and conducting studies relating to the nature and extent of discriminatory practices in the state.

The Department of Labor and Human Rights is responsible for promoting the human rights of all North Dakota citizens through leadership, education, prevention, and enforcement of state laws prohibiting discriminatory practices in the state. Specifically, the department investigates complaints alleging violations of law in the areas of employment, housing, public services, public accommodations, and credit transactions.

**Agency Mission Statement**

The Department of Labor and Human Rights is responsible for fostering, promoting, and developing the welfare of both wage earners and industries in North Dakota through leadership, education, regulation, prevention, and enforcement of state laws relating to the wages and working conditions of North Dakota employees. The Department is also responsible for ensuring the human rights laws of our state are not only public knowledge but are adhered to as well.

**Agency Performance Measures**

The Department of Labor and Human Rights measures its agency performance through its delivery of program services. Accordingly, performance measures are reported under the Program Performance Measures narrative.

**Major Accomplishments**

1. Provided human rights related training for agency staff.
2. Attended training and policy conferences sponsored by the Equal Opportunity Commission and the Department of Housing and Urban Development each year.
3. Attended training at the National Fair Housing Training Academy.
4. Updated ND Minimum Wage & Work Conditions Summary poster to reflect law changes and new department name. Partnered with Job Service to mail updated poster to 24,500 employers doing business in North Dakota.
5. Updated agency brochures.
6. Provided numerous educational presentations across the state.
7. Arranged for onsite training of entire staff from the EEOC.
8. Worked on developing a procedural manual for the agency.
9. Looked for efficiencies to improve current processes within the agency.

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There has been a steady increase in wage claims filed over the last few years. For example, the Department received 345 wage claims during fiscal year 2010-11 as compared to 734 for fiscal year 2013-14. This increase has created issues with claims being handle in a timely manner. Due to the increase in claims our Department will be requesting additional FTE which will create an issue with office space that will need to be addressed.

In addition to the increase in claims received by the Department we have also experienced significant staff turnover in the last year. The staff turnover and the increase in claims has created a backlog of claims that the Department is steadily attempting to eliminate. The Department is taking a look at all processes in place to see where efficiencies can be made.

**REQUEST SUMMARY**

406 Department of Labor and Human Rights  
 Biennium: 2015-2017

Bill#: SB2007

Date: 12/23/2014

Time: 12:50:37

Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
<b>By Major Program</b>					
Office of Labor Commissioner	2,044,370	2,285,351	35,980	2,321,331	1,034,046
<b>Total Major Program</b>	<b>2,044,370</b>	<b>2,285,351</b>	<b>35,980</b>	<b>2,321,331</b>	<b>1,034,046</b>
<b>By Line Item</b>					
Salaries and Wages	1,628,298	1,922,048	75,589	1,997,637	845,163
Accrued Leave	0	39,609	(39,609)	0	0
Operating Expenses	406,072	323,694	0	323,694	163,883
Capital Assets	0	0	0	0	25,000
Technology Carryover	10,000	0	0	0	0
<b>Total Line Items</b>	<b>2,044,370</b>	<b>2,285,351</b>	<b>35,980</b>	<b>2,321,331</b>	<b>1,034,046</b>
<b>By Funding Source</b>					
General Fund	1,480,615	1,847,425	36,074	1,883,499	1,034,046
Federal Funds	563,755	437,926	(94)	437,832	0
Special Funds					
<b>Total Funding Source</b>	<b>2,044,370</b>	<b>2,285,351</b>	<b>35,980</b>	<b>2,321,331</b>	<b>1,034,046</b>
<b>Total FTE</b>	<b>12.00</b>	<b>13.00</b>	<b>0.00</b>	<b>13.00</b>	<b>5.00</b>

## REQUEST DETAIL

406 Department of Labor and Human Rights  
Biennium: 2015-2017

Bill#: SB2007

Date: 12/23/2014

Time: 12:50:37

Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
<b>Salaries and Wages</b>					
Salaries - Permanent	1,159,279	1,325,366	80,770	1,406,136	566,400
Overtime	4,280	10,003	(10,003)	0	46,000
Fringe Benefits	464,739	586,679	4,822	591,501	232,763
<b>Total</b>	<b>1,628,298</b>	<b>1,922,048</b>	<b>75,589</b>	<b>1,997,637</b>	<b>845,163</b>
<b>Salaries and Wages</b>					
General Fund	1,269,872	1,578,493	75,683	1,654,176	845,163
Federal Funds	358,426	343,555	(94)	343,461	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>1,628,298</b>	<b>1,922,048</b>	<b>75,589</b>	<b>1,997,637</b>	<b>845,163</b>
<b>Accrued Leave</b>					
Salaries - Permanent	0	39,609	(39,609)	0	0
<b>Total</b>	<b>0</b>	<b>39,609</b>	<b>(39,609)</b>	<b>0</b>	<b>0</b>
<b>Accrued Leave</b>					
General Fund	0	39,609	(39,609)	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>39,609</b>	<b>(39,609)</b>	<b>0</b>	<b>0</b>
<b>Operating Expenses</b>					
Travel	50,127	59,600	0	59,600	23,000
Supplies - IT Software	1,153	1,200	0	1,200	1,500
Supply/Material-Professional	13,637	14,501	0	14,501	1,000
Miscellaneous Supplies	4,559	4,000	0	4,000	0
Office Supplies	13,375	15,000	0	15,000	10,000
Postage	19,072	22,000	0	22,000	7,500
Printing	4,698	7,500	0	7,500	3,000
IT Equip Under \$5,000	14,803	10,000	0	10,000	7,000
Office Equip & Furn Supplies	2,006	7,500	0	7,500	10,000
Insurance	2,382	2,500	0	2,500	0
Rentals/Leases - Bldg/Land	7,808	8,500	0	8,500	5,000
Repairs	2,005	3,500	0	3,500	0
IT - Data Processing	24,656	30,000	0	30,000	54,360
IT - Communications	24,456	30,000	0	30,000	7,000
IT Contractual Svcs and Rprs	11,432	12,000	0	12,000	27,523
Professional Development	8,621	10,000	0	10,000	1,000

# REQUEST DETAIL

406 Department of Labor and Human Rights

Biennium: 2015-2017

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Date: 12/23/2014

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Description	Expenditures 2011-2013 Biennium	Present Budget 2013-2015	Budget Request Change	Requested Budget 2015-2017 Biennium	Optional Budget Request
Operating Fees and Services	144,013	18,000	0	18,000	1,000
Fees - Professional Services	57,269	67,893	0	67,893	5,000
<b>Total</b>	<b>406,072</b>	<b>323,694</b>	<b>0</b>	<b>323,694</b>	<b>163,883</b>
<b>Operating Expenses</b>					
General Fund	200,743	229,323	0	229,323	163,883
Federal Funds	205,329	94,371	0	94,371	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>406,072</b>	<b>323,694</b>	<b>0</b>	<b>323,694</b>	<b>163,883</b>
<b>Capital Assets</b>					
Land and Buildings	0	0	0	0	25,000
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,000</b>
<b>Capital Assets</b>					
General Fund	0	0	0	0	25,000
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,000</b>
<b>Technology Carryover</b>					
IT Contractual Svcs and Rprs	10,000	0	0	0	0
<b>Total</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Technology Carryover</b>					
General Fund	10,000	0	0	0	0
Federal Funds	0	0	0	0	0
Special Funds	0	0	0	0	0
<b>Total</b>	<b>10,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Funding Sources</b>					
General Fund	1,480,615	1,847,425	36,074	1,883,499	1,034,046
Federal Funds	563,755	437,926	(94)	437,832	0
Special Funds	0	0	0	0	0
<b>Total Funding Sources</b>	<b>2,044,370</b>	<b>2,285,351</b>	<b>35,980</b>	<b>2,321,331</b>	<b>1,034,046</b>

**CHANGE PACKAGE SUMMARY**

406 Department of Labor and Human Rights  
Biennium: 2015-2017

Bill#: SB2007

Date: 12/23/2014

Time: 12:50:37

Description	Priority	FTE	General Fund	Federal Funds	Special Funds	Total Funds
<b><u>Base Budget Changes</u></b>						
<b>Ongoing Budget Changes</b>						
Base Payroll Change		0.00	36,074	(94)	0	35,980
<b>Total Ongoing Budget Changes</b>		<b>0.00</b>	<b>36,074</b>	<b>(94)</b>	<b>0</b>	<b>35,980</b>
<b>Total Base Budget Changes</b>		<b>0.00</b>	<b>36,074</b>	<b>(94)</b>	<b>0</b>	<b>35,980</b>
<b><u>Optional Budget Changes</u></b>						
<b>One Time Optional Changes</b>						
A-D 1 Overtime and Retirement	1	0.00	46,000	0	0	46,000
<b>Total One Time Optional Changes</b>		<b>0.00</b>	<b>46,000</b>	<b>0</b>	<b>0</b>	<b>46,000</b>
<b>Ongoing Optional Changes</b>						
A-C 1 Additional FTEs	1	5.00	941,928	0	0	941,928
A-C 2 ITD Desktop Support	2	0.00	46,118	0	0	46,118
<b>Total Ongoing Optional Changes</b>		<b>5.00</b>	<b>988,046</b>	<b>0</b>	<b>0</b>	<b>988,046</b>
<b>Total Optional Budget Changes</b>		<b>5.00</b>	<b>1,034,046</b>	<b>0</b>	<b>0</b>	<b>1,034,046</b>

**BUDGET CHANGES NARRATIVE****406 Department of Labor and Human Rights****Bill#: SB2007****Date:** 12/23/2014**Time:** 12:50:37

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 1	<b>Priority:</b> 1
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Additional FTEs

Authorizes the addition of 4.00 FTE Compliance Investigator II positions and 1.00 FTE Wage and Hour Director position to address the increased workload of the Department.

Included in the Operating Expenses is \$12,720 of Data Processing and \$10,545 of IT Contractual Services which would be the costs of ITD Desktop Support for the new FTE.

Also included is \$40,000 in Capital Projects to complete construction on our new office space to have offices built for the new FTE.

<b>Change Group:</b> A	<b>Change Type:</b> C	<b>Change No:</b> 2	<b>Priority:</b> 2
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ITD Desktop Support

We are requesting to have ITD be the Desktop Support for our agency.

<b>Change Group:</b> A	<b>Change Type:</b> D	<b>Change No:</b> 1	<b>Priority:</b> 1
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Overtime and Retirement

This request represents the amount needed for staff overtime until new employees are trained and caseloads are at a manageable level and also the amount needed for anticipated staff retirements.

<b>Change Group:</b> A	<b>Change Type:</b> D	<b>Change No:</b> 2	<b>Priority:</b> 2
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Paperless System

Authorize creation of paperless system to increase department efficiency and eliminate the need to store paper files.

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 1	<b>Priority:</b>
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Additional FTE's

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 2	<b>Priority:</b>
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Desktop Support

Provides funding to cover the costs of desktop support services provided by ITD.

<b>Change Group:</b> R	<b>Change Type:</b> A	<b>Change No:</b> 3	<b>Priority:</b>
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Equity money

Provides \$139,744 in general funds for salary adjustments for targeted market equity.

**BUDGET CHANGES NARRATIVE**

406 Department of Labor and Human Rights

Bill#: SB2007

Date: 12/23/2014

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Change Group: R	Change Type: A	Change No: 100	Priority:
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Executive Compensation Package Adjustment

Provides funding for recommended 2015-17 compensation adjustments.

Change Group: R	Change Type: B	Change No: 1	Priority:
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Retirement Leave

Provides one-time general funds of \$26,000 to cover the costs of leave payouts for potential retirements in the office and \$20,000 for overtime pay.

Change Group: R	Change Type: B	Change No: 2	Priority:
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Paperless System

Provides one-time general funds of \$56,135 for ITD to create a paperless system. This will increase efficiency and eliminate the need to store paper files.